

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF OHIO
EASTERN DIVISION

JAMES HAYDEN,

Case No. 1:17-cv-2635
Cleveland, Ohio

Plaintiff,

vs.

MONDAY, MARCH 16, 2020

2K GAMES, INC., et al.,

Defendants.

TRANSCRIPT OF TELEPHONIC ORAL ARGUMENT PROCEEDINGS
BEFORE THE HONORABLE JONATHAN D. GREENBERG
UNITED STATES MAGISTRATE JUDGE

APPEARANCES (*telephonically*):

For the Plaintiff:

Daniel J. McCullen, *Esquire*
Andrew W. Alexander, *Esquire*

For the Defendants:

Dale M. Cendali, *Esquire*
David T. Movius, *Esquire*
Joshua L. Simmons, *Esquire*

Chief Court Reporter:

Sarah E. Nageotte, RDR, CRR, CRC
United States District Court
801 West Superior Avenue
Court Reporters 7-189
Cleveland, Ohio 44113
(216) 357-7186

Proceedings recorded by mechanical stenography, transcript
produced with computer-aided transcription.

1 (Telephonic proceedings commenced at 11:20 a.m.)

2 - - -

3 THE COURT: Hello. Good morning.

4 Counsel, we're here in 17-cv-2635, Hayden versus 2K

11:22:00 5 Games, Inc., et al.

6 The matter currently pends before the Honorable

7 Christopher A. Boyko. It's been referred to this Court for

8 a discovery dispute. It's been ongoing.

9 I'm going to give each side 15 minutes to present

11:22:13 10 their argument and then I will issue a ruling.

11 I would ask defendants to please take a couple minutes

12 and respond to correspondence the Court received in response

13 to defendant's letter.

14 Mr. Simmons, will you be speaking on behalf of

11:22:32 15 defendants?

16 MR. SIMMONS: Yes, Your Honor.

17 THE COURT: So I'd ask you to give me a little

18 bit of a response to that letter, and then you can tell me

19 anything else you think is pertinent.

11:22:43 20 Why don't you go first, go ahead, Mr. Simmons.

21 MR. SIMMONS: Thank you, Your Honor.

22 As Your Honor is aware, on our conferences leading up

23 to this hearing, it is our position that discovery -- our

24 discovery is related to -- both the rules, 16.1 and 37.1,

11:23:03 25 are clear that when you are in the middle of fact discovery,

1 discovery needs to be served such that all discovery is
2 received by -- before the close of fact discovery, which was
3 January 31st, and that you cannot bring disputes to the
4 Court more than ten days after the discovery period is over.

11:23:22 5 On both scores, plaintiffs did not comply with those
6 rules. We did receive the letter that they sent 30 minutes
7 ago responding to those issues for the first time to the
8 Court, and we don't think that those change anything.

9 First of all, it doesn't answer the question provided
11:23:42 10 by the local rule. We've -- which is you can't raise these
11 disputes after the -- so long after the close of fact
12 discovery.

13 We think those rules are in place to make sure that
14 the -- that things proceed in an orderly fashion. It's now
11:23:58 15 more than a month, month and a half, after the close of fact
16 discovery and we don't think this changes anything.

17 Moreover, they rely heavily on the idea that this --
18 these issues came up in the course of depositions that
19 occurred in January, but that's not the case. There were
11:24:13 20 documents produced as early as I believe August, certainly
21 by November, on which their -- their discovery disputes
22 rely, and so, they were in possession of the facts that they
23 are now bringing to the Court and merely waited to the last
24 minute to bring those requests.

11:24:29 25 So, fundamentally, we do not agree that their disputes

1 are timely or that this Court should enforce them.

2 Nevertheless, in the spirit of trying to find a path
3 forward, defendants did respond fully to all of the
4 discovery requests they served; that's two sets of requests
11:24:47 5 for -- two sets equaling I think 12 requests for production,
6 three new interrogatories, three new requests for
7 admissions. We responded to all of them.

8 We only are here dealing with a subset of those issues
9 because plaintiffs passively are admitting that we have
11:25:07 10 responded sufficiently to those requests.

11 As for the requests that they brought to the Court, we
12 think that those requests should be denied, again, because
13 the -- they're too late, but also because we've already
14 searched 20 custodians for documents, produced over 6,000
11:25:26 15 additional pages, we produced even more pages in response to
16 the request that they produce, and these new requests would
17 go even further.

18 The -- they requested, just to go through them,
19 telemetry data which comes from a database which is not sort
11:25:46 20 of kept in a way that could be produced.

21 Now, the parties did meet and confer this morning and
22 we agreed to go back and look at a -- whether some more
23 narrowing requests of documents could be produced or
24 information could be produced there, but we're not sure
11:26:01 25 whether that's even possible because they're now asking now

1 for average per month, day and month, and we just don't know
2 if that's probable.

3 Moreover, on the telemetry data, the request is for by
4 player, and as we discussed on prior calls, there is no
11:26:20 5 database on the per player information.

6 We have nothing to produce in response to the
7 requests. We're trying to work with them, but we just can't
8 do what they're asking for in the requests.

9 The communications with NBA properties or the NBA
11:26:35 10 players with respect to the copyright issue, that issue is
11 not relevant to the facts before this Court. That issue
12 involves a -- did not involve a real-world tattoo on a
13 real-world player. It involved a custom design that's
14 involved in a different part of the game. It's completely
11:26:51 15 irrelevant to the case.

16 And what we think they're really trying to do is go
17 beyond what's relevant to try to tee up issues that could
18 keep discovery going long into the -- into the future.

19 On the tattoo bug reports request, we had a discussion
11:27:08 20 with plaintiff's counsel this morning where they offered to
21 narrow that request to two custodians, Michael Stauffer and
22 Corie Zhang. We think they chose those custodians because
23 they're the people who most use the -- or are involved with
24 the tattoo -- with bugs in the games.

11:27:26 25 And so, we did a quick search of the --

1 back-of-the-envelope search. From the -- from our search
2 from just, you know, ten minutes ago, and just -- even just
3 narrowing to them, we're looking at thousands of documents,
4 and that would be incredibly burdensome for us to produce.

11:27:45 5 And the bug reports aren't even relevant, because we
6 went back to confirm that the bug reports for the three
7 players related to the tattoos in this case were related --
8 were already produced, so they're asking for tattoo bug
9 reports for non-players not related to this case and tattoos
11:28:05 10 not related to this case which would require us to review
11 thousands of documents. We think that's too burdensome.

12 On interrogatory number 14, which is about the music
13 licenses, the parties came to Ohio, they met in person, they
14 discussed the scope of production related to licensing.
11:28:21 15 Music licenses were specifically released. We explained
16 that there are too many of them to produce and are not
17 relevant to these tables.

18 And as Your Honor may recall, we were concerned at the
19 time because they were asking for all of our licenses, and
11:28:36 20 we said music's not like an image, and it's certainly not
21 like a tattoo, it's not like an image. We did produce about
22 a hundred of our licenses for them as a result of that.

23 We see interrogatory number 14 as an attempt to get
24 around that agreement and force us to have those -- review
11:28:53 25 those music licenses and provide them the terms they're

1 looking for.

2 Again, those licenses have confidentiality provisions.
3 I believe there's about -- there's a hundred or more of
4 them. And again, having to go through those and produce --
11:29:06 5 and produce the information simply does not follow from the
6 conversation and negotiation that was conducted before Your
7 Honor or -- or in Ohio.

8 As to the fifth issue, the exemplary licenses for
9 influencers' likenesses, this morning plaintiffs have
11:29:26 10 narrowed that request to just one influencer likeness for
11 Chris Brickley. We are -- we still don't think that that is
12 a relevant license to produce. This is an influencer not an
13 NBA player. It's a completely different scenario.

14 And I have not had a chance to review that license to
11:29:45 15 see what the confidentiality provisions are. But we still
16 don't think it's relevant because it doesn't have to do with
17 these NBA players or these tattoos. It's not going to shed
18 any light on the issue.

19 On the final request, request for queue score
11:30:01 20 information, we informed plaintiff this morning, when we
21 sort of provided a proposed grand compromise, that we would
22 produce the queue score data if they would agree to drop
23 some of these request. We tried to reach an agreement. We
24 didn't.

11:30:13 25 Nevertheless, Your Honor, we are willing to conduct a

1 search for queue score information for these three NBA
2 players, which is what plaintiffs have requested, so we
3 believe that issue at least is moot, and if there are
4 documents responsive to that, we will produce them.

11:30:29 5 But that's where we stand on the six issues. Again,
6 this is -- fundamentally, this is a question of civil
7 procedure and we think this -- we think -- we think that can
8 be decided on that issue alone, that there are rules, both
9 federal civil procedure rules and local rules, they should
11:30:47 10 have consequences. Plaintiffs should have raised these
11 issues before.

12 Our clients have already produced thousands of
13 documents from 20 custodians, sat for -- eight different
14 people have sat for depositions. We think that fact
11:31:02 15 discovery should end. The parties can move on to expert
16 discovery. And -- and opening this can of worms is only
17 going to result in the parties coming back before Your Honor
18 when we produce more information and plaintiffs decide
19 that's not enough and they want more.

11:31:17 20 And so, for those reasons, we would respectfully
21 request that the discovery dispute be denied and that we
22 not -- that defendants not be required to provide additional
23 information and documents.

24 THE COURT: Mr. Simmons, thank you for the
11:31:34 25 argument.

1 But let me ask you: Do you think that your stance is
2 watered down at all by the continuing conversations up to
3 and including your agreement to produce the queue score
4 data?

11:31:48 5 MR. SIMMONS: We don't, Your Honor, because
6 we -- we were trying -- what we were trying to do is reach
7 agreement.

8 As you're aware, that Your Honor, you know, wants the
9 parties to work together, we were hoping by producing some
11:32:00 10 documents in response to the requests instead of just saying
11 it's too late and saying no, that we would at least be able
12 to moot some of the issues.

13 We think it would be unfair for the Court to say,
14 well, you tried to -- you answered the responses anyway and
11:32:17 15 that's -- that puts you in a worse position, in that we
16 should have just said immediately, on January 31st, too late
17 and we're not going to respond at all.

18 I mean, I think that sets us up for a bad incentive in
19 this Court.

11:32:30 20 THE COURT: Very well.

21 Who will be arguing on behalf of plaintiffs?

22 MR. McMULLEN: Your Honor, this is Dan
23 McMullen.

24 May I address the procedural issue first and then
11:32:38 25 allow Mr. Alexander to address the contents of our requests

1 and our attempts to narrow them?

2 THE COURT: Sure.

3 MR. McMULLEN: So, Your Honor, as you will
4 doubtless recall, the parties, with the Court's insistence,
11:32:53 5 spent many hours together back in November attempting to
6 resolve numerous outstanding discovery issues for
7 information we were not receiving up to that point, and
8 after those hours of negotiations, reached an agreement that
9 was memorialized in an e-mail which included, in pertinent
11:33:14 10 part, a statement that fact discovery deadline is extended
11 to January 31, 2020 to allow reasonable follow up with
12 regard to currently pending discovery or based on new
13 information that comes to light. That was what the parties
14 agreed back in November.

11:34:10 15 Defendants' counsel have explicitly, and in writing to
16 the Court, acknowledged that that included follow-up
17 discovery after the depositions were taken.

18 When plaintiff attempted to schedule depositions of
19 fact witnesses of defendants, we were continually put off.

11:34:10 20 We attempted many times to schedule those depositions in
21 December and defendants declined to provide dates, they
22 never provided any dates until December 17th, and then those
23 were for dates in January. They repeatedly said there's
24 plenty of time to depose the fact witnesses in months to
11:34:10 25 come and only provided dates for depositions in January.

1 Accordingly, plaintiff took the depositions of the
2 defendants' fact witnesses on the dates we were provided,
3 the last of those occurring on January the 30th. On
4 January 31st, the next day, plaintiffs served the follow-up
11:34:32 5 discovery that was based on the new information that came to
6 light through those, just as the parties had agreed.

7 The argument that the defendants are raising now that
8 magically somehow we don't --

9 THE COURT: Mr. McMullen, let's forego the
11:34:50 10 hyperbole, sir.

11 MR. McMULLEN: Yes, sir.

12 So the Court will doubtless recall that on
13 January 25th, when we had a telephone conference, that Your
14 Honor asked if there were any other pending discovery
11:35:01 15 matters or open matters of disputes at that point, and we
16 explained that there was still pending discovery requests to
17 which the defendants had not yet responded.

18 And I -- the suggestion was then made by defendants'
19 counsel that somehow we were magically to have disputed
11:35:16 20 already discovery items in dispute, and I asked
21 specifically: Do plaintiffs have to somehow intuit what the
22 defendants' responses are going to be and object on that
23 basis? And Your Honor pointedly said: No, I'm not going to
24 require you to put your Carnac hat on and predict the
11:35:35 25 future.

1 Accordingly, defendants, as was explained to the Court
2 at that time, they served their last discovery responses on
3 March the 2nd. Three days later, we identified numerous
4 deficiencies in those responses. Within less than 24 hours,
11:35:52 5 12 hours I think, defendants refused to provide any
6 additional discovery in response and we memorialized those
7 disputes the very next day in our letter to the Court dated
8 March the 6th.

9 As to the content of those, in our efforts to narrow
11:36:09 10 our requests to find some common ground with defendants'
11 counsel, as previously noted, I'll invite Mr. Alexander to
12 explain to the Court where we are.

13 THE COURT: Mr. Alexander.

14 MR. ALEXANDER: Good morning, Your Honor.

11:36:21 15 Thank you, Your Honor.

16 So this morning we did -- we had a call with
17 defendants' counsel and we -- we tried to reach common
18 ground on these six issues. We did make some progress, and
19 I think we are moving in the right direction.

11:36:40 20 I think two of these will need to be addressed by the
21 Court due to the issues, but, you know --

22 THE COURT: What -- let's start with the good
23 news.

24 Which ones do you think -- which four do you think you
11:36:54 25 agree on?

1 MR. ALEXANDER: So --

2 THE COURT: I didn't hear a lot of agreement
3 from the defendants.

4 MR. ALEXANDER: The defendants agreed that
11:37:01 5 they would -- would produce documents related to the queue
6 scores of the players at issues.

7 THE COURT: Mr. Simmons, is that correct?

8 MR. SIMMONS: Yes, Your Honor.

9 THE COURT: All right. So that is no longer
11:37:15 10 an issue?

11 MR. SIMMONS: Correct.

12 This is Mr. Simmons.

13 THE COURT: Right. I was talking to Mr.
14 Alexander.

11:37:22 15 That's no longer an issue, Mr. Alexander?

16 MR. ALEXANDER: No, Your Honor.

17 THE COURT: Okay. So now we're down to five.
18 What are the other three that there's no issue on?

19 MR. ALEXANDER: The telemetry data, we had --
11:37:39 20 it's -- a little bit of background to the telemetry data
21 request.

22 Defendants produced some advertisements that made
23 claims about the frequency with which the players at issue
24 are used in the games. For example, one advertisement said
11:37:56 25 something along the lines of --

1 THE COURT: I'm having a hard time
2 understanding you. Could you either pick up the phone or
3 speak more clearly?

4 MR. ALEXANDER: Sure. My apologies.

11:38:07 5 THE COURT: That's not your fault, but we're
6 stuck with doing this by telephone, so I need you to just
7 take your time and speak more clearly.

8 MR. ALEXANDER: Sure.

9 So the telemetry data requests were based on some
11:38:22 10 documents that defendants produced. They were
11 advertisements that made claims, for example, players tried
12 to take down the King -- referring to LeBron James -- I
13 think it was some 50,000 times a day, and other claims along
14 those line.

11:38:43 15 And during the answering at depositions as to whether
16 those claims were based on any data, internal data that
17 defendants had, and the deponent said, yes, that they keep
18 track of this stuff called -- and they call it telemetry
19 data. So we made a request for that underlying data.

11:39:00 20 And this morning, defendants asked us to kind of
21 clarify exactly what we want, and we did. We made our -- a
22 more particular request. And they said they would take that
23 back and see whether the database could give us that
24 information.

11:39:18 25 So --

1 THE COURT: Let me interrupt you. Let me
2 interrupt you.

3 Mr. Simmons, is that what you were discussing earlier,
4 that you did the back-of-the-envelope calculation of
11:39:28 5 thousands of documents that were responsive to that request?

6 MR. SIMMONS: No, Your Honor.

7 The thousands of documents relate to the third issue,
8 tattoo bug reports.

9 THE COURT: Sorry.

11:39:37 10 Okay. Did you -- while I have you on the line, have
11 you made any kind of preliminary request for the telemetry
12 data?

13 MR. SIMMONS: So that discussion occurred this
14 morning, about 30 minutes ago, so we have not been able to
11:39:48 15 find out the answer to the question yet, but it -- as long
16 as I --

17 THE COURT: No. No. No. Sorry.

18 Go ahead, Mr. Andrews -- Mr. Alexander. I'm sorry.

19 MR. ALEXANDER: Sure.

11:40:01 20 So that's where we stand on the telemetry data
21 request.

22 The other one I think we are -- we're close on is the
23 influencer agreement requests. We narrowed that request
24 this morning to just seek one -- the agreement for one
11:40:24 25 influencer, his name is Chris Brickley. Defendants said

1 that they would talk to the client I believe this morning to
2 see if that was doable.

3 THE COURT: I believe this is one of the
4 things that they were unhappy with and brought up to me is
11:40:41 5 the relevance of that request.

6 Could you tell me about that?

7 MR. ALEXANDER: Sure, Your Honor.

8 Defendant produced some communication and they --
9 they -- some of their witnesses testified during deposition
11:40:59 10 that for this -- this influencer is an NBA trainer who is
11 heavily tattooed, and he's also reproduced in the asserted
12 games, and there is documents and testimony that showed that
13 there were concerns at Take-Two about reproducing some of
14 these tattoos. The tattoos at issue were celebrity
11:41:27 15 likenesses and logos. And there's also testimony from
16 defendants that they did have an agreement to show the
17 player's likeness.

18 So we believe that if the defendant -- it's one of
19 defendants' defenses in this case that they have the right
11:41:44 20 to show plaintiff's copyrighted tattoos because they have an
21 agreement with the players at issue to show their likeness.

22 I think that the conduct here shows that defendants
23 acknowledge that there may be other third-party IP rights
24 related to an individual's likeness.

11:42:10 25 THE COURT: All right. What's the next issue?

1 I'll have Mr. Simmons comment on that when you're
2 done.

3 What else?

4 MR. ALEXANDER: So the tattoo --

11:42:18 5 THE COURT: I think the -- I think, at least
6 by my list on these, there's one more of the original six
7 that there's agreement on.

8 Which one is that?

9 MR. ALEXANDER: Well, the tattoo bug reports,
11:42:32 10 I think we were making progress on that, but it sounds like
11 defendants did go back -- and this is the issue that they
12 said now that they have thousands of e-mails that would be
13 responsive to this, and I think the -- the argument at this
14 point comes down to relevancy. It does seem to be their
11:42:53 15 main argument here that these documents aren't relevant.

16 THE COURT: At least from what I heard from
17 Mr. Simmons is there's a question of the reasonableness of
18 them to go through thousands of documents.

19 So why don't you tie that up and let me know what you
11:43:12 20 think here.

21 MR. ALEXANDER: I think the relevance of these
22 documents is that one -- one of defendants' defenses in this
23 case is that the tattoos aren't observable in the game, it's
24 that de minimis use argument, that users can't see them, and
11:43:32 25 that's one reason why the usage is not -- is not copyright

1 infringement.

2 In these documents, they show the extent -- the extent
3 and the length to which defendants go to make sure that
4 these tattoos are observable in the game. They -- there's
11:43:51 5 testimony from defendants that the -- that each summer, at
6 least each summer, they -- they issue these tattoo bug
7 analyses and they make sure that any bugs that relate to
8 whether these tattoos can be seen in the game are fixed,
9 and, you know, they can -- that the users will be able to
11:44:10 10 see these tattoos in the game.

11 So I think it gets right at one of their defenses in
12 this case.

13 THE COURT: All right. Do you have a comment
14 on the two outstanding requests that appeared not to have
11:44:25 15 any common ground?

16 MR. ALEXANDER: Yes, Your Honor.

17 The music licenses, we did agree in November, on
18 November 12th, before the Court, we agreed to not require
19 production of these music licenses in light of -- it was a
11:44:45 20 compromise. We understood that defendants' position was
21 this was going to be an extremely burdensome undertaking.
22 They were going to have to clear confidentiality clauses in
23 these agreements with their parties, so we agreed that
24 defendants would not have to produce these licenses.

11:45:01 25 That said, we never agreed that these weren't

1 relevant. We never agreed to exclude the information about
2 music licenses from the case at all. I mean, I think these
3 are -- these are comparable licenses to what would be at
4 stake in this case. They're copyright licenses for use of
11:45:19 5 third-party content to show -- to be used in the games.

6 And we -- so we tried to get this information in less
7 burdensome means. We noticed the topic for a 30(b)(6)
8 deposition, that was on some music licenses, and
9 defendants -- the defendants' 30(b)(6) witness that was
11:45:42 10 designated for this topic could not testify to the questions
11 we asked about the music licenses.

12 So -- so in the follow-up discovery request we served
13 as interrogatory, and which also seeks to avoid the burden
14 of going and getting these third-party confidentiality
11:45:58 15 clearances, it asks generally for the amount that defendants
16 have paid per year for music licenses to play the music in
17 the games, and it asks for the royalty rate at issue to
18 show -- to play the music in the games.

19 The compromise, also this morning, we told defendants
11:46:18 20 that if it's easier, less burdensome, we would accept the
21 average royalty rate per game instead of each individual
22 royalty rate per game.

23 So it's our position on the music licenses is that we
24 never excluded the information in the case. We've tried to
11:46:36 25 get it through less burdensome means, and including the

1 dispute now which is an interrogatory response.

2 THE COURT: What else? There's one more?

3 MR. ALEXANDER: Yeah. The copyright issue.

4 There's a document that defendants produced that it's
11:46:53 5 a weekly check-in document internal to their art department,
6 and it makes a comment that -- it says: Chris is also
7 addressing feedback from the NBA for the new tattoos to be
8 updated to avoid copyright issues.

9 So this document shows that the NBA had a concern
11:47:12 10 about the tattoo in the game, particularly a copyright issue
11 concern. And we deposed the author of this document and she
12 did not have very clear information on it, but she did say
13 that -- she did suggest that this was a copyright
14 infringement related issue.

11:48:01 15 And what we're trying to do here is just get some
16 information to identify what this issue is about. It seems
17 relevant given that this is a copyright infringement case
18 about tattoos, you know, this -- documents related to this
19 issue could show either their thoughts on how copyright
11:48:01 20 infringements relate to tattoos or the NBA's thoughts on how
21 this relates to tattoos.

22 Defendants at this point have not offered to search
23 for these documents to determine whether, in fact, that this
24 isn't relevant. They're relying, just as we are, on this
11:48:10 25 ambiguous deposition testimony that does not -- certainly

1 does not rule out that these documents are relevant. From
2 the face of it, these documents do seem relevant.

3 THE COURT: Mr. Simmons, you were commenting
4 that you want to respond.

11:48:30 5 Go ahead.

6 MR. SIMMONS: Thank you, Your Honor.

7 Just to take things in turn, the telemetry data issue
8 exemplifies our timing problem. The PowerPoint presentation
9 that plaintiffs are referencing that led them to the request
11:48:44 10 on telemetry data is not an advertisement. It's a
11 PowerPoint, an internal PowerPoint on potential advertising
12 that was produced in August.

13 And so, you know, just to go back to my major theme,
14 they had it since August. They didn't follow up on it until
11:49:00 15 January. And that's why we think, in all cases, discovery
16 should be denied.

17 Nevertheless, if Your Honor feels that the local rule
18 doesn't apply here, which we think it does, you know, we
19 are -- we can go back and see what the telemetry database
11:49:18 20 can do. But it's not a single document. It's a -- it's a
21 database. So we are not supposed to be required by the
22 federal rules to create new documents for requests for
23 productions.

24 So, you know, we're trying to reach a compromise. We
11:49:33 25 compromised as much as we can. Again, we think that that

1 should be denied.

2 On the Chris Brickley influencer agreement, it's not a
3 basketball player. It's not about -- it's not at all
4 relevant to this case. The got testimony from the many
11:49:51 5 deponents that were deposed on it. And we had the
6 e-mails -- and we have e-mails that were dealing with this
7 issue. We don't think that the agreement should have to be
8 produced at this point. It simply is not relevant to
9 whether these three NBA players have six tattoos. There's
11:50:10 10 no connection there.

11 On the tattoo bug reports, as Your Honor indicated,
12 our back-of-the-envelope calculation has the number of
13 documents that we'd have to review at nearly a thousand. We
14 do think that the burden is too high for a request that has
11:50:26 15 questionable relevance, particularly when any tattoo bug
16 reports about the three players at issue already have been
17 produced, as we confirmed this morning.

18 In addition, plaintiff already had deposition
19 testimony on those subjects. And so, again, we think they
11:50:42 20 already have that information.

21 On the music license, we fundamentally disagree with
22 their interpretation of the agreement. As Your Honor will
23 recall, when the parties came before the Court, the
24 plaintiffs had requested all licenses. The agreement that
11:50:55 25 was reached was that we would release art-related licenses

1 but specifically not music licenses. We think this is an
2 attempt to circumvent that.

3 And, in fact, when they served their 30(b)(6) notice,
4 we told them at that point that we thought that the music
11:51:09 5 licenses went too far, and we negotiated that 30(b)(6) --
6 those 30(b)(6) topics extensively. They did not come to the
7 Court at this time. We don't think that they should be
8 rewarded for not raising issues promptly.

9 We think the music licenses have no relevance to, you
11:51:28 10 know, our art-based tattoo licenses. We don't even think
11 the art licenses we produced were relevant, but certainly
12 this goes too far afield.

13 And, finally, on the copyright issue that Mr.
14 Alexander was referencing, they deposed the author of that
11:51:46 15 document. Her testimony, which appears in our March 13th,
16 2020 letter, was clear, that this is a -- an issue that does
17 not involve real-world tattoos on NBA players. Instead, it
18 was about this custom design on a completely different
19 issue.

11:52:01 20 We think that forcing us to go back, search for and
21 produce documents on such a tangential topic would not be --
22 is not a balanced approach to discovery when we've already
23 collected from 20 people and produced thousands of
24 documents.

11:52:17 25 THE COURT: Mr. Alexander, do you agree with

1 the characterizations of the copyright issue that it's a
2 custom design issue not a tattoo issue?

3 MR. ALEXANDER: Well, it's a custom design
4 tattoo in the game, and the NBA had an issue with this
11:52:38 5 tattoo and it suggested that -- the deposition testimony
6 suggested that their concern was the copyright infringement
7 concern, and we -- that is really the scope of the
8 information we have been able to --

9 THE COURT: What specifically are you asking
11:52:56 10 for?

11 MR. ALEXANDER: We would like documents
12 related to communications with the NBA related to this
13 copyright issue identified in this particular document.

14 THE COURT: Mr. Simmons, how difficult would
11:53:16 15 it be to come up with a royalty rate average?

16 MR. SIMMONS: Your Honor, it would be quite
17 difficult because we'd have to go through the hundreds of
18 music licenses to determine what that rate is. I'm not even
19 sure that they are based on a royalty rate.

11:53:31 20 So it would require review of every single music
21 license that we have to even come up with that number. It's
22 not something that just exists.

23 THE COURT: How many licenses are we talking
24 about, your best guess?

11:53:43 25 MR. SIMMONS: I know that there's over a

1 hundred. It may be much higher than that. I don't have
2 that number on -- I think it's about 300, something around
3 300.

4 THE COURT: All right. Is there anything
11:53:53 5 further on behalf of the plaintiff?

6 MR. ALEXANDER: Yes, Your Honor.

7 I just want to say the 300 documents to review, I --
8 we don't see that as unduly burdensome. In fact, in
9 connection with the third-party subpoenas, we had just spent
11:54:14 10 considerable time, you know, reviewing these documents,
11 these e-mails that the -- the third parties had already
12 reviewed, and we confirmed that there was nothing there.

13 So, you know, we don't think it's unreasonable to
14 require defendants to review 300 documents to respond to
11:54:33 15 this interrogatory.

16 THE COURT: Anything further on behalf of the
17 defendants?

18 MR. SIMMONS: Yes, Your Honor.

19 This isn't just a question of reviewing documents.
11:54:42 20 It's the confidentiality provisions. It's the -- it's going
21 through them and creating a rate that I don't think actually
22 exists. So it's not -- it's not a simple task. We think
23 that it's burdensome. And as I already indicated, it's not
24 relevant. The rate for music has nothing to do with
11:55:02 25 tattoos.

1 And I would just add on the prior, the copyright
2 issue, it's a custom design, it's not a real-world person's
3 tattoo, so we think those are different.

4 THE COURT: So do the parties agree that they
11:55:14 5 have come to an agreement as it relates to the queue score
6 data requests?

7 Mr. Alexander?

8 MR. ALEXANDER: We believe so.

9 THE COURT: Mr. Simmons?

11:55:21 10 MR. SIMMONS: Yes, Your Honor.

11 THE COURT: So there's five issues the Court
12 has to rule on; is that correct?

13 MR. ALEXANDER: Yes, Your Honor.

14 THE COURT: Very well. I'll issue a ruling
11:55:31 15 shortly.

16 Thank you for the arguments.

17 Please be safe.

18 - - -

19 (Proceedings concluded at 11:55 a.m.)

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21

22 **C E R T I F I C A T E**

23 I certify that the foregoing is a correct transcript
24 of the record of proceedings in the above-entitled matter
prepared from my stenotype notes.

25 /s/ Sarah E. Nageotte 3/22/2020
SARAH E. NAGEOTTE, RDR, CRR, CRC DATE